

# IRS Fact Sheet

Media Relations Office

Washington, D.C.

Media Contact: 202.622.4000

[www.irs.gov/newsroom](http://www.irs.gov/newsroom)

Public Contact: 800.829.1040

## Advance Child Tax Credit Payments and the 2003 Tax Return

FS-2004-3, January 2004

During 2003, nearly 24 million taxpayers received an advance payment of an increase to the Child Tax Credit. A change in the law raised this credit from a maximum of \$600 to \$1,000 per child, with the increase sent to eligible taxpayers beginning in July. Taxpayers received up to \$400 for each qualifying child claimed on their 2002 return.

Now these taxpayers must subtract their advance payment when figuring the Child Tax Credit to claim on their 2003 tax returns. If the check was reduced (offset) because of back taxes owed or certain other debts, the total before offset is the amount to use. Each spouse is considered to have received one-half of any advance payment made to a married couple. If the advance payment was more than the taxpayer's allowable credit, the taxpayer does not have to repay the difference.

Most taxpayers will use a worksheet in the tax instructions to figure the credit. Some will use Publication 972, Child Tax Credit, instead. These include taxpayers who exclude certain income earned outside the United States; who claim the adoption, mortgage interest, or DC first-time homebuyer credits; or whose adjusted gross income is more than \$75,000 (\$110,000 if married filing jointly; \$55,000 if married filing separately).

The IRS sent each advance payment recipient a Notice 1319 with the payment amount (before any offset) shortly before the check was mailed. A taxpayer who doesn't have this notice may check the IRS Web site at [www.irs.gov](http://www.irs.gov) or call the IRS help line at 1-800-829-1040 to get the Advance Child Tax Credit amount.

The Child Tax Credit is a nonrefundable credit for taxpayers with a qualifying child. To qualify, a child must be under age 17, be a citizen or resident of the United States, be claimed as the taxpayer's dependent, and be the taxpayer's (a) child, stepchild, adopted child, or a descendant of any of them; (b) sibling, stepsibling, or a descendant of any of them, whom the taxpayer cared for as his or her own child, or (c) eligible foster child.

There is also an Additional Child Tax Credit, for certain taxpayers who get less than the full amount of the Child Tax Credit because their tax is too low. The Additional Child Tax Credit — figured on Form 8812 — may result in a refund even if no tax was paid.